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ON PAGE A3

MAY 27 1987

NEW YORK TIMES

1940 Memo Criticized U.S. Embassy

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Special to The New York Times

WASHINGTON, May 26 — Lawyers for a Marine guard accused of spying in the United States Embassy in Moscow have uncovered a confidential 1940 memo from J. Edgar Hoover that was highly critical of security measures in the embassy and urged that unmarried employees be assigned elsewhere.

The 14-page memorandum, which was sent to President Roosevelt, said an undercover agent of the Federal Bureau of Investigation was assigned to the embassy and found that single workers were frequenting a prostitution ring linked to Soviet intelligence.

William M. Kunstler, a lawyer for the Marine guard, Sgt. Clayton J. Lonetree, said the memo was "vital" to the defense case because it showed the Government had ignored embassy security threats, particularly for unmarried employees, for more than 40 years.

Mr. Kunstler, who made a copy of the F.B.I. document available, said he would introduce the memo as evidence during Sergeant Lonetree's court-martial or in a motion to dismiss the remaining espionage charges.

The memorandum, dated Dec. 13, 1940, and marked "personal and confidential," was sent to the White House under a cover letter signed by Mr. Hoover, the F.B.I. Director.

Authenticity Confirmed

The authenticity of the document was confirmed today by the Franklin D. Roosevelt Presidential Library in Hyde Park, N.Y. The document was declassified several years ago.

At the time of the 1940 investigation, the American Embassy was staffed by about 35 Americans and in a building across the street from the Kremlin. It moved to its location on Tchaikovsky Street in the early 1950's.

Security problems detected at the embassy after the recent arrests of Sergeant Lonetree and Cpl. Arnold Bracy, another marine implicated in the spy case, were remarkably like those noted in the 1940 document.

The memorandum said classified



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documents had been handled improperly, and that the loneliness of a Moscow assignment had prompted unmarried workers to risk blackmail by seeking companionship with Soviet citizens.

Relationship Acknowledged

Sergeant Lonetree has acknowledged that he had a sexual relationship with a Soviet woman who, according to prosecutors, worked with the K.G.B., the Soviet intelligence agency.

Defense lawyers have argued that the State Department should take the blame for the spy case because it repeatedly ignored warnings not to send unmarried workers to Moscow.

The State Department had no comment today on the case.

According to Mr. Hoover's letter, undercover F.B.I. agents were assigned to the Moscow Embassy and American embassies in Europe in 1940 at the request of the State Department.

Complaints From British

The 14-page memorandum said the Moscow investigation followed complaints from the British Government that secret information was being leaked to Soviet officials from the American Embassy in Moscow.

"As a result of this situation, the British were refusing to reveal certain confidential information to the United States Government," the memorandum said.

The F.B.I. document detailed exten-

sive security problems throughout the embassy, many involving unmarried workers.

"Not being able to find normal female companionship, the men attached to the embassy turn to a group of Soviet prostitutes for companionship," it continued. "These prostitutes form a regular embassy ring."

While Ambassador Was Away

According to the memorandum, the women reportedly answered to the G.P.U., the Soviet intelligence agency that was the predecessor to the K.G.B.

Other staff members, the memorandum said, turned to homosexuality, which also left them open to blackmail.

The 1940 memorandum indicated that many of the problems observed in the embassy occurred while Ambassador Laurence A. Steinhardt was away in Washington. When he returned, it said, the Ambassador met with the agent and several changes were made to improve security.

According to the memo, the Ambassador "made the statement that the embassy staff had 'run wild' on a former occasion when he was absent from Moscow and that undoubtedly the same thing had happened again."

Yet the F.B.I. report still left an impression of extraordinarily lax security.

It said secret documents in the embassy were handled improperly and suggested that classified material had been obtained by Soviet citizens who worked in the American compound.

The F.B.I. agent said he visited the code room on the second night of his stay in Moscow and found "all safes were open and code books lay on the tables together with messages to be encoded and decoded."

The embassy's file room, where confidential documents were stored, "has been a meeting place for various members of the staff," the F.B.I. document said. "Communications marked strictly confidential are considered choice reading."

"Throughout entire days, it was reported, a file room clerk would do practically nothing but read confidential matter. This clerk was at this time using liquor to excess and associating with Soviet prostitutes."

The Marine Corps recently dropped charges against Sergeant Lonetree that he had allowed Soviet intelligence agents to roam through the Moscow Embassy. It has continued to press charges that the Marine guard provided the Soviet Union with classified documents and staff lists.

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